

REMARKS

Reconsideration and allowance in view of the foregoing amendment and the following remarks is respectfully requested. Claims 1-3 and 5 remain pending in the application. Claim 1 has been amended to reflect that the slurry used in preparing the communication piece is UV curable and that the slurry is used in accentuating a message, marketing theme or event. Support for the amendments is found for example in the abstract, paragraph 2, 28 and other locations.

Claims 1-3 and 5 have been rejected under 35 USC 103(a) over any one of Fischer et al 3108824, Nelson et al 3895220 or Kachi et al 4658125 in view of Blake et al 3054751. Each of Fischer et al, Nelson et al and Kachi et al teach the use of ink containing magnetic particles for printing numerals or bars that are used in conveying account information or coupon redemption. Blake et al teach an ink formulation that contains magnetic particles for use in scanning applications such as those taught by Fischer et al, Nelson et al and Kachi et al.

“Many things, and the patent law abounds in illustrations, seem obvious after they have been done, and in the light of the accomplished result, it is often a matter of wonder how they so long eluded the search of the discoverer and set at defiance the speculations of inventive genius....Knowledge after the event is always easy, and problems once solved present no difficulties, indeed may be represented as never having had any...” Diamond Rubber Company of New York vs. Consolidated Rubber Tire Company, 220 U.S. 428, 434, 435, 31 S.Ct. 444 (1911).

None of the cited references teach the use of a UV curable slurry that is used to produce a variably imaged communication piece, with each of the magnetic and non-magnetic portions conveying unique indicia. Indeed, none of the references even remotely suggest the creation of a variably printed communication piece, one which has been personalized for a particular recipient. Nor do the references teach or suggest the

use of a magnetic slurry which is used to accentuate a message, marketing theme or event. The printed ink of each of the cited references simply suggests the printing of machine scannable information to enable the clearing of checks, coupons or response tracking and nothing more. There is no teaching or suggestion that the magnetic material is used to accentuate a particular message that is being offered by the manufacturer or issuer of the product.

The primary references require that the MICR numbering or bars appear in certain areas of the substrate so as to be able to be read by mechanical scanning equipment. A communication substrate that is used in advancing a theme or event would not be effective if the message was limited in its placement such as to the lower or bottom edge of the product. This is what the primary cited references of the rejection teach and as such teach away from the creation of a magnetic message used for purposes of a marketing communication. There is no modification or suggestion in the prior art that is sufficient to take the teachings that reside in a description of a printed check with MICR numbering and then make a magnetic marketing communication. Indeed, the references relied up on in the instant Office Action are decades old which would tend to suggest that despite the long passage of time, no one has developed that which is shown in the present invention.

In order for a *prima facie* case of obviousness to exist, the prior art must teach the desirability of a modification or combination of the references. Any suggestion or incentive to modify a reference must be derived from teachings of the prior art; it cannot be merely a subjective ex post facto desire to combine the pieces or features to construct a rejection. Thus, the Court specifically held that it was improper to rely on a general teaching in the second reference as a basis for modifying the primary reference. The Court explicated the rationale for precluding such subjective hindsight reconstruction of

the art in terms which clearly preclude propriety of the Examiner's rejection in this application. See In re Fritch, 23 USPQ 2d 1780, 1783, 1784 (Fed. Cir. 1992), wherein the Court held:

“Obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination. Under section 103, teachings of references can be combined only if there is some suggestion or incentive to do so.’ Although couched in terms of combining teachings found in the prior art, the same inquiry must be carried out in the context of a purported obvious ‘modification’ of the prior art. The mere fact that the prior art may be modified in the manner suggested by the examiner does not make the modification obvious unless the prior art suggested the desirability of the modification. Wilson and Hendrix fail to suggest any motivation for, or desirability of, the changes espoused by the examiner and endorsed by the Board.”

There is simply no teaching or suggestion in the prior art to make the combination relied upon by the Examiner to form the present rejection and reliance on *per se* or universal rules to form a rejection is inappropriate.

The claims of the instant application, as amended, represent a new and unobvious functional relationship between the substrate and the indicia printed thereon, that of conveying a unique and personalized communication to the recipient through the use of magnetic materials provided in a UV curable slurry and non-ferromagnetic material and that the magnetic materials aid in accentuating the marketing event or theme. It is the combination of this substrate, the slurry, the unique message, its function and other limitations that applicant seeks to patent. Each of these limitations must be considered in making a determination of patentability. The interaction of these limitations and the resulting structure is simply not found in the cited prior art.

All that the cited references provide is machine readable information which is not used to highlight, add to or otherwise enhance the information printed by the magnetic slurry of the present invention. There is no suggestion or teaching that the ink provides a unique or variable message. The combination teaches the relatively mundane transfer of numerical data to aid in the processing of the coupon or check. With applicant's invention, the substrate may never be scanned by a machine or convey any sort of information to a clearinghouse. Rather, the message provided by the magnetic material is for the recipient of the piece and the magnetic message highlights the message being conveyed by the issuer of the piece.

The relationship of the pattern, slurry, unique message, the function of the message and substrate are each distinct structural limitations contained within the claims and must each be considered in determining patentability, see In re Royka, 180 USPQ 580, 583 (CCPA 1974):

"As to claim 36, the examiner said it 'is merely a printed matter variation of the design of the reference' Reid. This is not a valid reason for rejection. Printed matter may very well constitute structural limitations upon which patentability can be predicated....The limitations of claim 36 are not remotely suggested by Reid."

See also, In re Gulack 703 F.2d 1381, 1385, 217 USPQ 401 (CAFC 1983)

"Difference between an invention and the prior art cited against it cannot be ignored merely because those difference reside in the content of the printed matter. Under section 103, the board cannot dissect a claim, excise the printed matter from it, and declare the remaining portion of the mutilated claim to be unpatentable. The claim must be read as a whole."

"A functional relationship of the precise type found by the CCPA in *Miller* --to size or to type of substrate, or conveying information about substrate—is not required. What is required is the existence of *differences* between the appealed claims and the prior art sufficient to establish patentability. The bare presence or absence of a specific

functional relationship, without further analysis, is not dispositive of obviousness. Rather, the critical question is whether there exists any new and unobvious functional relationship between the printed matter and the substrate.” *Id.* at 1387.

“We reject the board’s conclusion that there is no functional relationship between the printed matter and the substrate of the appended claims. Such a relationship does exist and it is different from the relationship exhibited by the corresponding elements of the Wittcoff reference.” *Id.* at 1388.

Again, the differences between the claims of the present invention reside in the use magnetic material to create a unique communication that is personalized to the recipient and one that is used to accentuate or highlight the marketing message of the issuer to attract the recipient to the particular theme or event that the issuer may be sponsoring. The feature of the message cannot be excised by the Examiner prior to considering the claim. Such a combination of features is unknown in the prior art and each feature or limitation must be given consideration when determining the patentability of the claims. As stated by the CAFC “the critical question is whether there exists any new and unobvious functional relationship between the printed matter and the substrate.” *Id.* at 1387. That question is answered affirmatively in connection with the instant application.

Claims 1-3 and 5 have also been rejected under 35 USC 103(a) over Annenberg 3758970 in view of Blake et al 3054751. Annenberg teaches the use of a magnetic ink which may be printed on the reverse side of the laminate for purposes of adding a security feature to the card. See column 5, lines 56-60 “The purpose of the printing pattern is to render it increasingly difficult to remove or tamper with the photograph....” Blake et al teach an ink containing magnetic particles for use in creating a machine readable document. The combination does not teach or suggest the present invention and applicant respectfully requests reconsideration.

One simply would not print variable communications with magnetic ink that accentuate a particular message to serve as a security feature as to do so would require a clearing house to confirm each and every variable security code which would hinder the clearing process. Security features such as those used in currency and other negotiable instruments are consistently the same from instrument to instrument so that the clearinghouse can confirm the integrity of the document and clear the item as quickly as possible. To suggest an alternative teaching of Annenberg would require one to discard selected disclosures of the reference which is impermissible. "It is impermissible to pick and choose from any one reference only so much of it as will support a given position to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggest to one skilled in the art" Bausch & Lomb, Inc. v. Barnes-Hind Hydorcurve, Inc., 796 F.2d 443, 448 (Fed. Cir. 1986).

None of the references or combinations of references teach the creation of variable patterns for producing marketing type communications. All of the cited prior art relates to ink containing magnetic particles for MICR type applications which are used to process transactions as opposed to communication with a recipient.

Applicant respectfully requests withdraw of the present rejections.

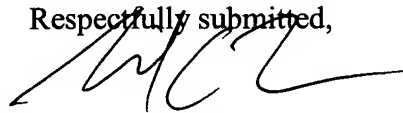
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All objections and rejections having been addressed, it is respectfully submitted that the present application is in condition for allowance and an early Notice to that effect is earnestly solicited. The Examiner is encouraged to contact the undersigned in the event any small matters remaining outstanding so as to eliminate the necessity of another action and response.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. C. Maier', written over the typed name.

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